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# ANNUAL REPORT 1948

## BOARDS

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**FRONT COVER**

A typical harvest scene along the Soo  
Line. Courtesy Greater North Dakota  
Association.



# *Annual report*

OF THE

MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE  
RAILROAD COMPANY

FOR THE YEAR ENDED

DECEMBER 31

# *1948*



# MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILROAD COMPANY

## DIRECTORS

HENRY E. ATWOOD.....	Minneapolis, Minn. <i>President, First National Bank of Minneapolis</i>
JOHN E. BLUNT.....	Chicago, Illinois <i>Formerly Vice President, Continental Illinois National Bank and Trust Company of Chicago</i>
PAUL V. EAMES.....	Minneapolis, Minn. <i>President, Shevlin, Carpenter &amp; Clark Company</i>
*HORACE C. GROUT.....	Minneapolis, Minn. <i>President, M. St. P. &amp; S. S. M. Railroad Company</i>
FRANK T. HEFFELFINGER.....	Minneapolis, Minn. <i>Chairman of the Board, F. H. Peavey &amp; Company</i>
W. L. HUFF.....	Minneapolis, Minn. <i>Executive Vice President, Minneapolis-Honeywell Regulator Company</i>
*CLIVE T. JAFFRAY.....	Minneapolis, Minn. <i>Formerly Chairman, M. St. P. &amp; S. S. M. Railway Company</i>
*HENRY S. KINGMAN.....	Minneapolis, Minn. <i>President, Farmers and Mechanics Savings Bank of Minneapolis</i>
HENRY LALIBERTE.....	Duluth, Minn. <i>President, Cutler Magner Company</i>
W. A. MATHER.....	Montreal, Quebec <i>President, Canadian Pacific Railway Company</i>
*HENRY S. MITCHELL.....	Minneapolis, Minn. <i>Counsel, Canadian Pacific Railway Company</i>
COLA G. PARKER.....	Neenah, Wisconsin <i>President, Kimberly-Clark Corporation</i>
JOHN S. PILLSBURY.....	Minneapolis, Minn. <i>Chairman of the Board, Pillsbury Mills, Inc.</i>
*HOMER B. VANDERBLUE.....	Evanston, Illinois <i>Professor of Business Economics &amp; Dean, School of Commerce, Northwestern University</i>
G. W. WEBSTER.....	Minneapolis, Minn. <i>Formerly President, M. St. P. &amp; S. S. M. Railway Company</i>
*Member of Executive Committee	



**GENERAL OFFICES**  
**FIRST NATIONAL-SOO LINE BUILDING**  
**MINNEAPOLIS, MINNESOTA**

**OFFICERS**

President.....	H. C. GROUT .....	Minneapolis
Vice President and General Counsel.....	J. L. HETLAND .....	"
Vice President.....	C. S. POPE .....	"
Secretary and Asst. to the President.....	J. C. PETERSON .....	"
Treasurer.....	C. H. BENDER .....	"
Assistant Secretary.....	M. J. TRACY .....	"
Assistant Treasurer.....	W. LEICESTER.....	"
General Traffic Manager.....	W. W. KREMER .....	"
Comptroller.....	J. B. DONNELLY.....	"
General Manager.....	R. L. SIMPSON .....	"
Industrial and Real Estate Commissioner .....	R. S. CLAAR.....	"

**MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE  
RAILROAD COMPANY**

**TRANSFER AND FISCAL AGENTS**

**FIRST MORTGAGE BONDS**

**TRANSFER AGENTS:**

The Northern Trust Company  
50 S. La Salle Street, Chicago 90, Ill.

Bank of Montreal Trust Company  
64 Wall Street, New York 5, N. Y.

**FISCAL AGENTS:**

The Northern Trust Company  
50 S. La Salle Street, Chicago 90, Ill.

Agency, Bank of Montreal  
64 Wall Street, New York 5, N. Y.

**GENERAL MORTGAGE BONDS**

**TRANSFER AND FISCAL AGENTS:**

Harris Trust and Savings Bank  
115 W. Monroe Street, Chicago 90, Ill.

Central Hanover Bank and Trust Company  
70 Broadway, New York 15, N. Y.

**COMMON SHARES**

**TRANSFER AND PAYING AGENT**

Bank of New York and Fifth Avenue Bank  
48 Wall Street, New York 15, N. Y.

**REGISTRAR:**

Central Hanover Bank and Trust Company  
70 Broadway, New York 15, N. Y.

**ANNUAL SHAREHOLDERS MEETING**

Third Tuesday in May at Minneapolis, Minn.



## TO THE SHAREHOLDERS:

For the second successive year, the gross revenues of the company established a new record high, exceeding those for 1947 by \$4,121,947. The increases in freight rates allowed by the Interstate Commerce Commission and by the various State Commissions were the prime factors in establishing this new record. Although there was a slight decrease in total freight tonnage handled as compared to 1947, the crop production in the territory served by the lines of the railroad remained above average. Wages and the cost of fuels and other materials continued to rise and the operations of the railroad for the year, after deduction for all expenses, including interest and sinking fund requirements under the company's mortgages, produced a net income of \$1,770,421, or an increase of \$587,421 over the year 1947.

A condensed income statement showing the results of operations for the year 1948, together with comparisons for the year 1947, follows:

	1948	1947
Railway Operating Revenues.....	\$37,010,433	\$32,888,486
Railway Operating Expenses.....	30,469,055	26,888,587
Net Revenue from Railway Operations.....	6,541,378	5,999,899
Net Tax Accruals, Equipment Rents and Joint Facility Rents—Dr. ....	4,031,039	3,966,720
Net Railway Operating Income.....	2,510,339	2,033,179
Other Income Less Miscellaneous Deductions.....	241,842	154,616
Income Available for Fixed and Contingent Charges....	2,752,181	2,187,795
Fixed Charges .....	3,313	4,557
Income After Fixed Charges.....	2,755,494	2,183,238
Interest on First Mortgage Bonds.....	284,388	292,673
Balance .....	2,471,106	1,890,565
Interest on General Mortgage Bonds.....	600,040	606,920
Sinking Fund—General Mortgage.....	100,645	100,645
Net Income .....	\$ 1,770,421	\$ 1,183,000

## REVENUES

FREIGHT REVENUES amounted to \$33,318,449 in 1948 as compared to \$29,161,330 in 1947, an increase of \$4,157,119 or 14.26%. A detailed statement of traffic handled, classified by principal commodities, is shown on page 20.

It is estimated that the 1948 grain crop produced in this company's territory amounted to 60,348,000 bushels as compared with a yield of 65,252,000 in 1947, or a decrease of 7.52%. As of December 31, 1948, it is estimated that there remained in country elevators and on farms along the line approximately 32,900,000 bushels as compared with 30,100,000 at December 31, 1947. The car supply in 1948 was reasonably adequate to handle all grain shipments offered for movement.



Iron ore shipments moved by this company from the Cuyuna Range to the Superior Ore Dock amounted to 1,124,487 long tons in 1948 as compared with 1,104,975 long tons moved in 1947, an increase of 1.77%.

It is estimated that increased freight rates which became effective January 5, 1948, other than on grain and grain products which were effective ten days thereafter, produced additional revenues amounting to \$4,323,727 and increased rates effective May 6, 1948 accounted for a further increase in freight revenues of \$350,000. The benefits of the increased freight rates were offset in part by a reduction of the tonnage handled.

The agreement with the Canadian Pacific Railway referred to in last year's report whereby, effective May 1, 1948, eastbound freight traffic from Western Canada is being delivered to this company at Portal, North Dakota, in place of Noyes, Minnesota, produced additional freight revenue in the amount of \$248,149 from the effective date to the close of the year.

PASSENGER REVENUES amounted to \$1,457,571, a decrease of \$122,515 or 7.75% as compared with 1947. Serious flood conditions in the Pacific Northwest had an adverse effect on tourist travel during the late spring and early summer, resulting in decreased revenues from this class of traffic.

MAIL REVENUES increased to \$885,635 in 1948 from \$831,318 in 1947 or 6.53%. This increase was principally due to the temporary 25% increase in mail space rates accruing during the entire year of 1948, whereas it applied only from February 19 to the close of the year in 1947. Future hearings are to be conducted before the Interstate Commerce Commission in connection with the carriers' petition for a 65% permanent increase in mail rates.

EXPRESS REVENUES amounted to \$320,785, a decrease of \$31,050 or 8.83%. A decrease in the volume of express handled more than offset the gains from higher rates.

ALL OTHER REVENUES increased to \$1,027,993 in 1948 from \$963,917 in 1947 or 6.65%. Increases in Other Passenger Train Service, Switching, Demurrage and other Miscellaneous Revenues, resulting chiefly from increases in rates for accessorial services, were more than sufficient to offset decreases in Milk revenue and for Telegraph and Telephone services.

## EXPENSES

RAILWAY OPERATING EXPENSES amounted to \$30,469,055 as compared with \$26,888,587 in 1947, an increase of \$3,580,468 due principally to increased costs of labor, material and supplies. Approximately \$2,086,590 is attributable to wage increases already granted or accrued in the accounts in anticipation thereof.

MAINTENANCE OF WAY EXPENSES increased \$1,278,095 or 21.39%. This increase, in addition to wage awards, was chiefly attributable to the increase in cost of material and supplies, increased charges for removal of snow due to severe weather conditions in the early part of the year and an increase in rail renewals in 1948.

MAINTENANCE OF EQUIPMENT EXPENSES increased \$936,535 or 17.61%. This increase resulted from wage awards, and expanded freight car repair program, increase in cost of material and supplies, greater charges for



equipment depreciation due to the acquisition of Diesel-electric locomotives, and charges for equipment retired in 1947 which were taken into the current year's accounts.

TRAFFIC EXPENSES increased \$80,372 or 12.01% due principally to wage awards. A freight solicitation agency was established at Cleveland, Ohio, and the agency formerly maintained at Grand Rapids, Mich., was closed.

TRANSPORTATION EXPENSES increased \$1,162,585 or 8.43% as the result of increases in cost of fuel and other material and supplies and wage awards. Had it not been for the increased dieselization of power, the increase in costs in this class of expense would have been much greater.

Tons carried one mile decreased from 2,621,768,500 to 2,612,340,168 or .36% as compared with a decrease in freight-train miles of 8.78%.

Passengers carried one mile decreased from 85,779,800 to 77,653,721 or 9.47% as compared with a decrease in passenger-train miles of .44%.

GENERAL EXPENSES increased \$117,850 or 12.58%, principally due to wage awards.

RAILWAY TAX ACCRUALS for the year 1948 amounted to \$3,635,531 as compared with \$3,566,226 for the year 1947, an increase of \$69,305 or 1.94%, the details of which are shown on page 15.

The Railroad Unemployment Insurance payroll tax rate decreased from 3% to one-half of 1% effective January 1, 1948, pursuant to an amendment to the Railroad Unemployment Insurance Act.

Railroad Retirement Taxes although continuing at a rate of 5¾% throughout the year increased due to increased wages on which the tax was applicable. The Railroad Retirement Tax rate has been increased to 6%, effective January 1, 1949, and will so continue until January 1, 1952, at which time it will automatically rise to 6¼%.

State, Local and Other taxes increased principally because of the increase in gross earnings accruing within the State of Minnesota, as well as increased tax rates on property located in North Dakota and Wisconsin.

EQUIPMENT RENTS for the year 1948 amounted to a net charge of \$201,916 as compared with \$186,243 in 1947, an increase of \$15,673 or 8.42%. An increase in rentals collected from foreign lines for use of this company's freight cars was more than offset by payments to other railroads for use of their cars. Mileage rates on tank cars were increased from 1½ cents to 2 cents per mile effective January 1, 1948.

JOINT FACILITY RENTS. Net charges for the year amounted to \$193,592 as compared with \$214,251 for 1947, a decrease of \$20,659 or 9.64%.

## PROPERTY INVESTMENT

There was a net increase of \$3,245,425 in the investment in Road and Equipment property as follows:

	Road	Equipment	Total
Expenditures for Additions and Betterments....	\$986,914	\$3,312,810	\$4,299,724
Less: Retirements .....	219,729	834,570	1,054,299
Net Increase .....	\$767,185	\$2,478,240	\$3,245,425



The more important items were:

Bridge renewals and filling.....	\$ 104,280
Improvements of and additions to shop and engine terminal facilities.....	132,714
Purchase of miscellaneous shop tools and machinery and of roadway machines..	76,553
Miscellaneous roadway and track improvements .....	260,228
Additions and improvements to station and office buildings.....	107,006
Additions and improvements to water stations.....	13,457
Construction of and additions to diesel fuel stations.....	40,428
Additions and improvements to interlockers.....	28,539
Additional tie plates and rail anchors.....	102,469
Installation of flashing light signals at highway crossings.....	10,475
Assessments for public improvements.....	44,104
Acquisition of telegraph lines from Western Union Telegraph Co.....	27,728
Purchase 9 Diesel-electric 3000 horsepower road type locomotives .....	2,711,254
Purchase 2 Diesel-electric 1500 horsepower road-switch locomotives.....	263,835
Purchase spare trucks (3 sets) for Diesel-electric locomotives.....	62,391
Application of "AB" brake equipment to 991 freight-train cars.....	146,886
Purchase 6 automobiles.....	11,175
Construction of 1 mail and express car.....	19,991
Addition by construction or conversion of 31 other company service units.....	35,822

Purchase of two additional Diesel-electric 3000 horsepower locomotives has been authorized and orders placed to complete the dieselization of through freight service between Minneapolis, Minnesota, and Sault Ste. Marie, Michigan. Orders have also been placed for four more combination road-switch Diesel-electric 1500 horsepower locomotives for use in freight service between Minneapolis, Minnesota and Enderlin, North Dakota, and mixed train service between Hankinson and Bismarck, both in North Dakota. Two 1000 horsepower Diesel-electric switch locomotives were ordered for use at Minneapolis, and Superior. The total authorization for Diesel-electric locomotives ordered in 1948 for delivery in 1949 amounted to \$1,502,000.

Construction of a Diesel-electric locomotive servicing shop at Shoreham Shops, Minneapolis, is nearing completion and will provide modern facilities for servicing and repairing Diesel-electric locomotives at that point.

Three hundred box cars and one hundred gondola cars were authorized to be constructed at the North Fond du Lac, Wisconsin, shops at a cost of \$1,762,500.

## REDUCTION IN DEBT

Long term debt was reduced by \$237,000 during the year. First Mortgage Bonds in the principal amount of \$54,000 were purchased by the company during the year and are being held in the treasury. General Mortgage Bonds in the principal amount of \$183,000 were acquired and cancelled by the Mortgage Trustee through the operation of the sinking fund.

Interest accruals were reduced by \$15,165 as compared to the previous year.

Since reorganization of the company on September 1, 1944 the amount of First Mortgage Bonds outstanding has been reduced \$1,719,700 or 21.36% and General Mortgage Bonds \$4,946,000 or 24.57%.

## DIVIDEND

On February 21, 1949, the Board of Directors declared a dividend of \$1.00 per share on the stock of this company, amounting to \$719,104, payable on April 1, 1949 to holders of record as of the close of business on March 15, 1949. In declaring this dividend the Board gave due consideration to the past



and prospective earnings of the company, its cash position, its outstanding mortgage indebtedness, and its future financial requirements.

This action marks the fourth successive year in which a dividend has been declared on the capital stock of the company. The total dividends paid or to be paid amounts to \$3,955,072.

## WAGE INCREASES

Wage negotiations with the Brotherhood of Locomotive Engineers, the Brotherhood of Locomotive Firemen and Enginemen, and Switchmen's Union of North America, which were continuing at the time that last year's report went to press, eventually led to strike action by these Brotherhoods which was called for May 11, 1948. On May 10, control of the railroads was assumed by the United States Government and a temporary restraining order, later made permanent, was issued by the Federal Court against such strike action. After further negotiations between representatives of the Brotherhoods, Carriers and the United States Government, settlement was reached on August 11, 1948, providing for a 15½ cents per hour increase, retroactive to November 1, 1947, with certain changes in rules. The Government on July 9, 1948, returned control of the railroads to the owners.

On June 30, 1948 the Brotherhood of Railway Trainmen, and the Order of Railway Conductors, served notice on the railroads of the nation demanding a wage increase of 25% with a minimum raise of \$2.50 per basic day. A further request was received from the enginemen on August 11, 1948 in connection with their signing of the contract providing for the settlement described in the preceding paragraph. These new demands provided that the difference between 15½ cents per hour, or \$1.24 per day, and their original demands for a 30% increase be given the same status as if it had been served as a new request on June 30, 1948. On October 4, 1948 settlement was reached with the conductors and trainmen, which provided for a 10 cent per hour increase, effective October 16, 1948. On November 12, 1948 a similar settlement was reached with the enginemen likewise providing for a 10 cent per hour increase effective October 16, 1948. It is estimated that these settlements, exclusive of payroll taxes, amounted to approximately \$80,746 from the effective date to the close of the year and will cost, on an annual basis, approximately \$373,398.

The non-operating unions on April 10, 1948 requested a 25 cents per hour increase in wages, 48 hours pay for 40 hours work, a five-day week, time and one-half for Saturdays and double time on Sundays and holidays, with eight hours minimum pay for any work on Saturdays, Sundays and holidays. An agreeable basis of settlement could not be reached, so the National Mediation Board, on request of the railroads, intervened but it was also unsuccessful in settling the dispute. A Presidential Emergency Board was appointed which recommended that a 40 hour week be established effective September 1, 1949 and that wages be increased by 7 cents per hour, effective October 1, 1948. The recommended 40 hour week would involve maintenance of the present 48 hour pay basis and the shorter work periods would be staggered 5 day weeks, with two consecutive days off in each seven whenever practicable and no premium pay for Saturdays and Sundays, as such; but overtime at time and one-half rates would be paid for work performed in excess of 8 hours in a day or 40 hours in a week. As these recommendations were not mandatory, further



negotiations were commenced in January, 1949. In February, the Emergency Board was reconvened for clarification of their recommendations. On March 19, 1949, agreement was reached providing substantially the same terms as expressed in the original recommendations of the Emergency Board. It is estimated that the additional cost to this company, on an annual basis, will amount to approximately \$831,947 not including additional payroll taxes nor the cost of the 40 hour week feature. The increase applicable to October, November and December 1948 is estimated to be \$206,688, excluding additional payroll taxes, and has been so accrued in the accounts.

The total additional annual cost of these "third round" wage increases granted to operating employees and to non-operating employees is estimated to be \$1,205,345 exclusive of payroll taxes and added costs resulting from the 40 hour week.

In the latter part of the year, requests were filed by the operating organizations for changes in the vacation agreement proposing an increase in the present annual vacation of seven days to from 15 to 30 days, dependent upon each employee's years of service.

Demands have been filed which are being considered by an Emergency Board, by the Brotherhood of Locomotive Firemen and Enginemen and by the Brotherhood of Locomotive Engineers for the assignment of additional firemen on multiple unit road Diesel-electric locomotives and for an additional engineer where attention to engine room machinery is required, while the train is in motion.

### **RATE INCREASES**

The temporary freight rate increases that became effective in January 1948, as mentioned in the report for last year, were further supplemented by approximately 4% effective May 6, 1948. The final report by the Interstate Commerce Commission issued July 27, 1948, provided for permanent rate increases approximating the then effective temporary rate increases. These permanent increases were made effective on August 21, 1948.

Due to substantial increases in prices of railroad fuel, material and supplies, on August 26, 1948 the railroads filed a petition with the Interstate Commerce Commission seeking specific increases in rates on coal, coke and iron ore. On October 1, 1948 this petition was withdrawn and a new petition filed seeking a general increase of 8% on all commodities, with specified maxima on fresh fruits and vegetables, lumber and sugar and specific increases on coal and coke of 30 cents per net ton, and on iron ore of 25 cents per ton other than upper lake ore. As the railroads entered into agreements with the conductors and trainmen increasing wage rates by 10 cents per hour, effective October 16, 1948, on October 12, the petition of October 1 was amended, raising the proposed general increase in freight rates to 13% with corresponding increases in the maxima proposed on fresh fruits and vegetables, lumber and sugar. The increase sought on coal and coke was 40 cents per net ton and on iron ore 35 cents per ton. At the same time, the carriers asked that the lesser increases included in the October 1 petition be immediately authorized as an interim measure, pending full hearings on the later petition. Hearings commenced on November 30, 1948 before the Interstate Commerce Commission and on December 30, 1948, that body authorized an interim increase effective on five days notice, ranging from 4 to 6 per cent with certain



maxima, and averaging about 5 per cent. Due to the impracticability of accurately forecasting the movement of freight traffic by commodities and routing, no attempt has been made at this time to translate the foregoing increases expressed in terms of percentages limited by maxima on certain commodities into monetary amounts representing future increases in freight revenues.

On February 10, 1948, the Interstate Commerce Commission authorized an increase in the coach class one way fare from 2.2 cents per mile to 2.5 cents per mile, effective March 1, 1948.

As operating costs have continued to rise since the original mail pay petition was filed with the Interstate Commerce Commission on February 19, 1947, the railroads on June 24, 1948, submitted an amended petition advancing the permanent increase sought from 45 per cent to 65 per cent. No action has as yet been taken on this latter increase.

Increased express rates became effective on January 22, 1948, and after hearings on a proposal for a single nationwide scale of express rates, a decision was handed down by the Commission on December 30, 1948 adopting the western rate scale, its result being to raise rates slightly in the East and the South over those previously in effect and having very little effect on the express earnings of this company.

### **WISCONSIN CENTRAL RAILWAY**

This company continues to operate the Wisconsin Central properties as agent for the Trustee with the approval of the Court and pursuant to the Operating Agreement, as amended, and the Schedule of Bases made effective July 1, 1943. The reorganization proceeding for that company is still pending and the Interstate Commerce Commission is now holding further hearings on a plan of reorganization.

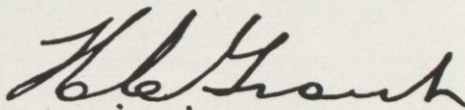
### **DIRECTORATE**

It is with deep regret that your directors record the death of Mr. Joseph Chapman on May 11, 1948. Mr. Chapman was a co-trustee of the predecessor company and a member of this company's Board and Executive Committee since September 1, 1944. Mr. W. L. Huff, Executive Vice President of Minneapolis-Honeywell Regulator Company, and Mr. W. A. Mather, who succeeded Mr. Neal as President of the Canadian Pacific Railway, were elected to the Board of Directors at the regular annual meeting of the shareholders on May 18, 1948. Mr. Henry S. Kingman was elected to the Executive Committee to fill the vacancy caused by Mr. Chapman's death.

The loyal and conscientious efforts of the employees and officers throughout the year are recognized and appreciated.

FOR THE BOARD OF DIRECTORS,

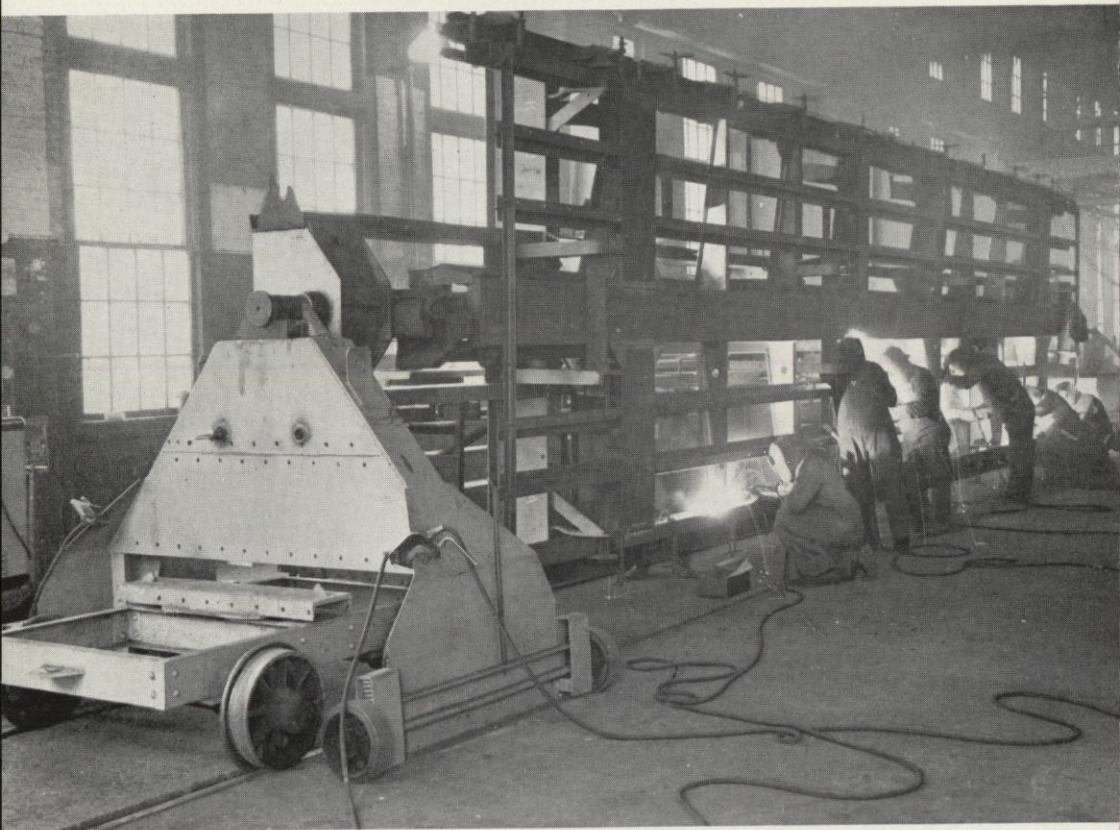
Minneapolis, Minnesota,  
April 11, 1949.



*President.*



FIFTY-TON GENERAL SERVICE GONDOLA CARS  
BEING CONSTRUCTED BY COMPANY FORCES



WELDING THE UNDERFRAME

COMPLETED CAR WITH DOORS OPEN





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## INCOME ACCOUNT

	Year 1948	Year 1947	Increase or Decrease
<b>RAILWAY OPERATING REVENUES:</b>			
Freight Revenue .....	\$ 33,318,449	\$ 29,161,330	\$ 4,157,119
Passenger Revenue .....	1,457,571	1,580,086	122,515
All Other Revenue .....	2,234,413	2,147,070	87,343
Total Railway Operating Revenues .....	37,010,433	32,888,486	4,121,947
<b>RAILWAY OPERATING EXPENSES:</b>			
Maintenance of Way and Structures .....	7,254,322	5,976,227	1,278,095
Maintenance of Equipment .....	6,255,089	5,318,554	936,535
Traffic .....	749,795	669,423	80,372
Transportation .....	14,945,537	13,782,952	1,162,585
Miscellaneous .....	209,634	204,603	5,031
General .....	1,054,678	936,828	117,850
Total Railway Operating Expenses .....	30,469,055	26,888,587	3,580,468
Net Revenue from Railway Operations .....	6,541,378	5,999,899	541,479
Railway Tax Accruals .....	3,635,531	3,566,226	69,305
Railway Operating Income .....	2,905,847	2,433,673	472,174
Equipment Rents—Net Dr. ....	201,916	186,243	15,673
Joint Facility Rents—Net Dr. ....	193,592	214,251	20,659
Net Railway Operating Income .....	2,510,339	2,033,179	477,160
Other Income .....	258,434	309,344	50,910
Total Income .....	2,768,773	2,342,523	426,250
Miscellaneous Deductions from Income .....	16,592	154,728	138,136
Income Available for Fixed and Contingent Charges .....	2,752,181	2,187,795	564,386
<b>FIXED CHARGES:</b>			
Rent for Leased Road and Equipment .....	1,685	1,569	116
Interest on Unfunded Debt .....	6,937	905	7,842
Amortization of Discount on Funded Debt .....	1,939	2,083	144
Total Fixed Charges .....	3,313	4,557	7,870
Income after Fixed Charges .....	2,755,494	2,183,238	572,256
<b>CONTINGENT CHARGES:</b>			
Interest on First Mortgage Bonds .....	284,388	292,673	8,285
Interest on General Mortgage Bonds .....	600,040	606,920	6,880
Sinking Fund—General Mortgage .....	100,645	100,645	.....
Total Contingent Charges .....	985,073	1,000,238	15,165
Net Income .....	\$ 1,770,421	\$ 1,183,000	\$ 587,421

	Year 1948	Year 1947
<b>Times Earned:</b>		
Interest on First Mortgage Bonds .....	9.7	7.5
Interest on General Mortgage Bonds .....	4.1	3.1
Sinking Fund—General Mortgage .....	18.6	12.8
<b>Net Income:</b>		
Per share .....	\$2.46	\$1.64



## EARNED SURPLUS ACCOUNT

As of December 31, 1948

### EARNED SURPLUS—APPROPRIATED:

#### Applicable to period prior to September 1, 1944:

Appropriated for Capital Fund.....	\$ 500,000	
Appropriated for Sinking Fund.....	369,032	
Appropriated for Retirement of Funded Debt.....	<u>1,184,623</u>	
Amount at December 31, 1948.....		\$ 2,053,655

#### Applicable to period subsequent to September 1, 1944:

Appropriated for Sinking Fund:		
Amount at December 31, 1947.....	\$ 335,483	
Accrual—Year 1948.....	<u>100,645</u>	
Amount at December 31, 1948.....		436,128
Total Earned Surplus—Appropriated.....		<u>\$ 2,489,783</u>

### EARNED SURPLUS—UNAPPROPRIATED:

#### Applicable to period prior to September 1, 1944:

Amount at December 31, 1948.....	\$ 9,310,483
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#### Applicable to period subsequent to September 1, 1944:

Amount at December 31, 1947.....	\$3,447,905
Less Dividend of \$1.00 per share, payable April 1, 1948.....	<u>719,104</u>
	\$2,728,801

#### Profit and Loss Account—Year 1948:

Net Income.....	\$1,770,421	
Credits from Bonds retired.....	85,957	
Miscellaneous Credits.....	<u>21,623</u>	
Total Credits.....	1,878,001	
Deduct:		
Miscellaneous Debits.....	<u>5,717</u>	
Net Additions to Surplus for Year 1948.....		<u>\$1,872,284</u>

Amount at December 31, 1948.....	4,601,085
Total Earned Surplus—Unappropriated.....	<u>\$13,911,568</u>

## RAILWAY TAX ACCRUALS

	Year	Year	Increase or Decrease	
	1948	1947	Amount	Per Cent
Railroad Retirement.....	\$ 936,935	\$ 907,030	\$ 29,905	3.30
Railroad Unemployment.....	76,969	473,433	<u>396,464</u>	<u>83.74</u>
Federal Income Tax.....	1,135,000	845,000	290,000	34.32
State, Local and Other.....	<u>1,486,627</u>	<u>1,340,763</u>	<u>145,864</u>	<u>10.88</u>
Total.....	\$3,635,531	\$3,566,226	\$ 69,305	1.94

# COMPARATIVE GENERAL

## ASSETS

	Dec. 31, 1948	Dec. 31, 1947	Increase or Decrease
<b>INVESTMENTS:</b>			
Road and Equipment Property:			
Road.....	\$104,355,058	\$103,587,873	\$ 767,185
Equipment.....	29,001,764	26,523,524	2,478,240
Total.....	133,356,822	130,111,397	3,245,425
Less:			
Acquisition adjustment.....	16,510,829	16,510,829	.....
Donations and grants.....	12,713	10,358	2,355
Accrued depreciation—road.....	9,985,890	9,619,050	366,840
Accrued depreciation equipment.....	18,241,533	17,804,866	436,667
Accrued amortization of Defense Projects— equipment.....	3,210,070	3,210,070	.....
Total.....	47,961,035	47,155,173	805,862
Net.....	85,395,787	82,956,224	2,439,563
Deposits with Mortgage Trustees.....	83,381	78,581	4,800
Miscellaneous physical property.....	210,591	211,630	1,039
Investments in affiliated companies: (See page 19)			
Stocks—Pledged under First Mortgage.....	260,375	260,375	.....
Stocks—Pledged under Gen'l Mortgage.....	900,000	900,000	.....
Advances.....	445,408	421,866	23,542
Other Investments: (See page 19)			
U. S. Government Bonds (long term).....	.....	4,000,000	4,000,000
Miscellaneous.....	3,375	5,428	2,053
Total Investments.....	87,298,917	88,834,104	1,535,187
<b>CURRENT ASSETS:</b>			
Cash.....	6,366,792	4,058,606	2,308,186
U. S. Government securities (short term).....	7,238,104	8,109,000	870,896
Held for land grant deductions.....	540,000	650,000	110,000
Special Deposits:			
For interest and other obligations.....	120,410	89,330	31,080
Employees' Income Tax and War Bonds.....	313,481	314,854	1,373
For distribution to holders of First Con- solidated Bonds of Predecessor Company ...	21,849	29,282	7,433
Other special deposits.....	293	293	.....
Traffic and car-service balances.....	161,930	.....	161,930
Agents and conductors' balances.....	771,083	711,360	59,723
Miscellaneous accounts receivable.....	953,445	987,894	34,449
Material and supplies.....	5,256,504	4,768,312	488,192
Interest and dividends receivable.....	58,535	187,827	129,292
Accrued accounts receivable.....	687,762	378,182	309,580
Other current assets.....	44,782	69,422	24,640
Total.....	22,534,970	20,354,362	2,180,608
<b>DEFERRED ASSETS:</b>			
Working fund advances.....	25,050	18,764	6,286
Other deferred assets.....	265,382	849,015	583,633
Total.....	290,432	867,779	577,347
<b>UNADJUSTED DEBITS:</b>			
Prepayments.....	135,488	23,344	112,144
Discount on funded debt.....	59,921	62,515	2,594
Other unadjusted debits.....	387,099	452,725	65,626
Total.....	582,508	538,584	43,924
GRAND TOTAL.....	\$110,706,827	\$110,594,829	\$ 111,998



# BALANCE SHEET

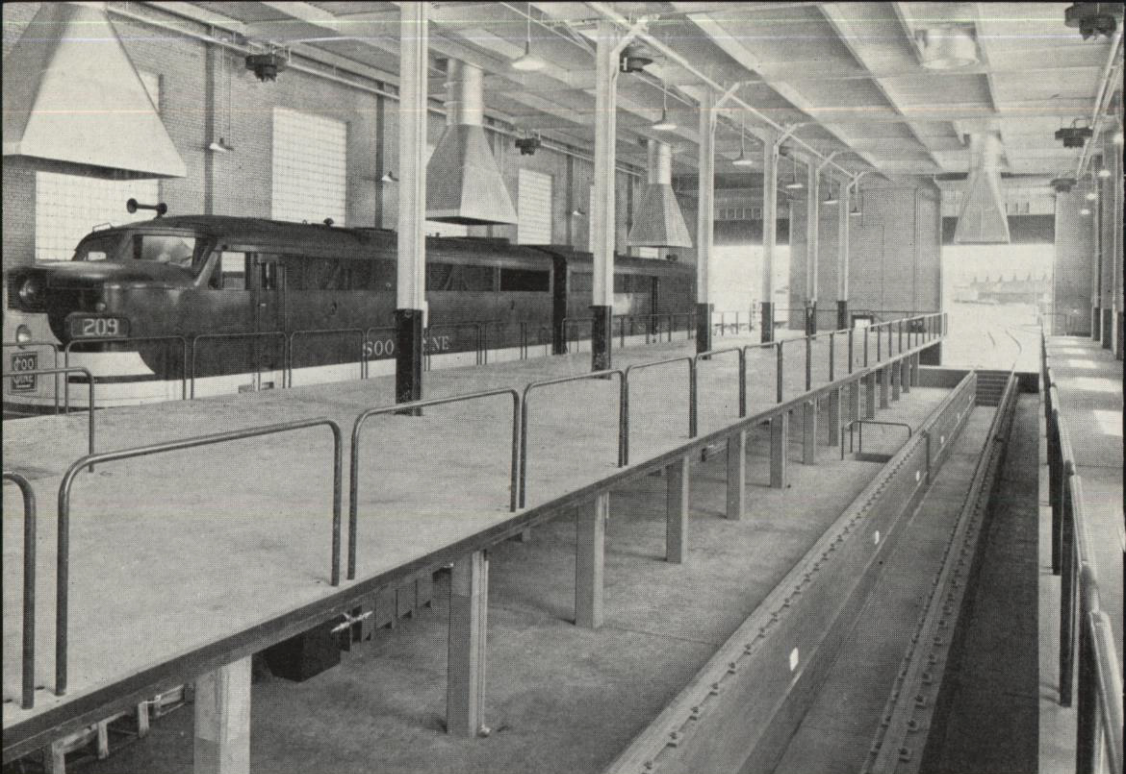
## LIABILITIES

	Dec. 31, 1948	Dec. 31, 1947	Increase or Decrease
<b>CAPITAL STOCK:</b>			
719,104 common shares of no par value stated at \$86.50 per share.....	\$ 62,202,496	\$ 62,202,496	\$ .....
<b>LONG-TERM DEBT:</b>			
First Mortgage, 4½%, Cumulative Income Bonds, Series A, 1-1-71 .....	6,332,000	6,386,000	54,000
Issued.....\$10,000,000			
Held in Treasury.....3,668,000	*		
Gen'l Mortgage, 4%, Income Bonds, Series A, 1-1-91.....	15,183,000	15,366,000	183,000
Issued.....\$20,129,000			
Retired through Sinking Fund. 1,444,100			
Held in Treasury.....1,501,900			
Retired by Company.....2,000,000			
Total .....	21,515,000	21,752,000	237,000
<b>CURRENT LIABILITIES:</b>			
Traffic and car-service balances .....		101,067	101,067
Audited accounts payable.....	1,126,304	1,345,485	219,181
Wages payable.....	2,310,308	2,222,697	87,611
Miscellaneous accounts payable.....	973,137	1,101,101	127,964
Interest matured unpaid.....	972,850	991,344	18,494
Accrued accounts payable.....	1,010,532	987,070	23,462
Taxes accrued.....	2,369,102	2,103,412	265,690
Trustees, Wisconsin Central Railway Co.....	483,019	633,885	150,866
Other current liabilities.....	424,989	394,095	30,894
Total .....	9,670,241	9,880,156	209,915
<b>DEFERRED LIABILITIES</b> .....	129,641	652,583	522,942
<b>UNADJUSTED CREDITS:</b>			
Reserve for land grant deductions.....	534,674	649,542	114,868
Other unadjusted credits.....	252,532	310,032	57,500
Accrued depreciation—leased property.....	797	399	398
Total .....	788,003	959,973	171,970
<b>SURPLUS:</b>			
Unearned surplus.....	95	95	.....
Earned surplus—Appropriated (see page 15).....	2,489,783	2,389,138	100,645
Earned surplus—Unappropriated (see page 15)...	13,911,568	12,758,388	1,153,180
Total .....	16,401,446	15,147,621	1,253,825
<b>GRAND TOTAL</b> .....	\$110,706,827	\$110,594,829	\$ 111,998

NOTE: In accordance with Minnesota Law, Earned Surplus at September 1, 1944 in the amount of \$11,364,138 is designated as "Paid-in Surplus."

This company is jointly and severally liable, with seven other owner railroads, for the principal and interest on \$13,777,000 of First and Refunding Mortgage 3½% Bonds Series "B" of The Saint Paul Union Depot Company. Interest has been paid by The Saint Paul Union Depot Company on these Bonds as it matured.





Interior view of new Diesel-Electric Maintenance Shop at Minneapolis.



Fighting Snow Drifts on Western Lines in North Dakota and Montana.

Boring into snow with a 12 foot auger after which hole is filled with 9 sticks of 2-inch dynamite and exploded with an electric cap. A 14 foot ladder is used to get in and out from low side of cut.





## INVESTMENTS IN AFFILIATED COMPANIES

	Number of Shares	Par Value	Book Value	
			Dec. 31, 1948	Dec. 31, 1947
<b>STOCKS—Pledged under First Mortgage:</b>				
Sainte Marie Union Depot Co.....	375	\$ 37,500	\$ 37,500	\$ 37,500
Sault Ste. Marie Bridge Co.....	2,500	250,000	500	500
Minnesota Transfer Railway Co.....	913	91,300	91,300	91,300
The Saint Paul Union Depot Co.....	1,036	103,600	130,475	130,475
Railway Express Agency, Inc.....	6	No Par	600	600
TOTAL.....		482,400	260,375	260,375

<b>STOCKS—Pledged under General Mortgage:</b>				
Tri-State Land Co. (See Note).....	25,000	\$ 2,500,000	900,000	900,000

<b>ADVANCES—All Other:</b>				
Sainte Marie Union Depot Co.....			26,790	26,790
Minnesota Transfer Ry.—Sinking Fund.....			27,778	25,555
Minnesota Transfer Ry.—Steam and Diesel Locomotives.....			40,082	26,443
Minnesota Transfer Ry.—Working Fund.....			6,440	6,440
Railway Express Agency, Inc.....			173,493	164,684
Sault Ste. Marie Bridge Co.—U. S. Funds.....			11,011	17,552
Sault Ste. Marie Bridge Co.—Canadian Funds.....			4,383	4,383
Tri-State Land Co.....			133,630	133,630
The St. Paul Union Depot Co.....			21,801	16,389
<b>TOTAL.....</b>			<b>\$ 445,408</b>	<b>\$ 421,866</b>

## OTHER INVESTMENTS

	Number of Shares	Par Value	Book Value	
			Dec. 31, 1948	Dec. 31, 1947
<b>BONDS:</b>				
United States Treasury Bonds—Long Term .....		\$.....	\$.....	\$4,000,000

<b>STOCKS:</b>				
Wisconsin Central Ry. Co. Common.....	103,595	10,359,500	1	1

<b>OTHER SECURED OBLIGATIONS:</b>				
Real Estate Sales Contracts.....		3,372	3,372	5,425

<b>ADVANCES:</b>				
Wisconsin Central Ry. Co. (prior to Receivership)....		\$ 7,049,534	1	1
Central Terminal Ry. Co.....			1	1
<b>TOTAL.....</b>			<b>\$ 2</b>	<b>\$ 2</b>

NOTE: The equity of the Company in the net worth (capital stock and surplus) of the Tri-State Land Company, a solely owned subsidiary, has been written down on the Soo Line books to the estimated value as determined by appraisal as of September 1, 1944. The amount of this equity is \$900,000 as shown under the column headed "Book Value." The net worth of that company as reflected on its books at December 31, 1948 is \$1,471,162, without provision for impairment of asset values, and the net result for the year 1948 was a net income of \$7,679.

## OPERATING REVENUES

	Year 1948	Year 1947	Increase or Amount	Decrease Per Cent
<b>FREIGHT REVENUE:</b>				
<b>Products of Agriculture:</b>				
Grain.....	\$ 9,636,844	\$ 9,031,065	\$ 605,779	6.71
Flour.....	87,404	156,768	69,364	44.25
Potatoes.....	385,824	225,185	160,639	71.34
All Other.....	1,068,245	1,245,427	177,182	14.23
Total.....	11,178,317	10,658,445	519,872	4.88
<b>Animals and Products:</b>				
Cattle and Calves.....	531,788	264,178	267,610	101.30
Hogs.....	25,705	30,295	4,590	15.15
Butter.....	87,569	81,827	5,742	7.02
All Other.....	459,447	421,815	37,632	8.92
Total.....	1,104,509	798,115	306,394	38.39
<b>Products of Mines:</b>				
Bituminous Coal.....	1,148,619	1,176,578	27,959	2.38
Lignite Coal.....	708,854	548,836	160,018	29.16
Iron Ore.....	1,471,809	1,229,721	242,088	19.69
Petroleum Crude.....	728,078	1,085,547	357,469	32.93
All Other.....	1,228,587	855,699	372,888	43.58
Total.....	5,285,947	4,896,381	389,566	7.96
<b>Products of Forests:</b>				
Posts, Poles and Piling.....	246,350	290,530	44,180	15.21
Pulpwood.....	1,340,520	1,149,207	191,313	16.65
Lumber, Shingles and Lath.....	2,077,007	1,207,319	869,688	72.03
All Other.....	555,606	477,875	77,731	16.27
Total.....	4,219,483	3,124,931	1,094,552	35.03
<b>Manufactures and Miscellaneous:</b>				
Gasoline and Petroleum Oils, refined.....	1,210,104	1,192,158	17,946	1.51
Fuel and Road Oils, etc.....	536,284	414,657	121,627	29.33
Manufactured Iron and Steel.....	361,389	301,421	59,968	19.90
Cement, building.....	416,650	328,298	88,352	26.91
Agricultural Implements and Parts.....	546,867	292,408	254,459	87.02
Fertilizers.....	152,096	139,841	12,255	8.76
Newsprint Paper.....	962,841	747,066	215,775	28.88
All Other.....	5,614,055	4,640,425	973,630	20.98
Total.....	9,800,286	8,056,274	1,744,012	21.65
Less-than-carload Freight.....	1,729,907	1,627,184	102,723	6.31
Total Freight Revenue.....	33,318,449	29,161,330	4,157,119	14.26
<b>Passenger</b>				
Passenger.....	1,457,571	1,580,086	122,515	7.75
Mail.....	885,635	831,318	54,317	6.53
Express.....	320,785	351,835	31,050	8.83
Milk.....	161,370	189,915	28,545	15.03
Other Passenger-train Service.....	88,156	75,000	13,156	17.54
Switching.....	99,682	85,305	14,377	16.85
Demurrage.....	87,388	72,052	15,336	21.28
Telegraph and Telephone.....	57,361	67,070	9,709	14.48
Ore Dockage Charges.....	168,422	135,293	33,129	24.49
Joint Facility—Net.....	173,356	150,606	22,750	15.11
All Other.....	192,258	188,676	3,582	1.90
Total Operating Revenue.....	\$37,010,433	\$32,888,486	\$ 4,121,947	12.53



## OPERATING EXPENSES

	Year 1948	Year 1947	Increase or Amount	Decrease Per Cent
<b>MAINTENANCE OF WAY AND STRUCTURES:</b>				
Superintendence.....	\$ 325,673	\$ 278,308	\$ 47,365	17.02
Roadway Maintenance.....	897,417	705,365	192,052	27.23
Tunnels and Subways.....	398	985	<b>587</b>	<b>59.59</b>
Bridges, Trestles and Culverts.....	132,870	85,211	47,659	55.93
Ties.....	1,001,876	862,939	138,937	16.10
Rails.....	182,092	120,766	61,326	50.78
Other Track Material.....	250,457	178,145	72,312	40.59
Ballast.....	158,202	124,785	33,417	26.78
Track Laying and Surfacing.....	2,084,034	1,818,222	265,812	14.62
Fences, Snowsheds, and Signs.....	140,479	86,516	53,963	62.37
Station and Office Buildings.....	234,219	181,207	53,012	29.25
Roadway Buildings.....	4,769	4,379	390	8.91
Water Stations.....	64,698	46,907	17,791	37.93
Fuel Stations.....	23,623	17,131	6,492	37.90
Shops and Enginehouses.....	117,933	106,587	11,346	10.64
Wharves and Docks.....	<b>120</b>	<b>120</b>		
Telegraph and Telephone Lines.....	133,094	111,661	21,433	19.19
Signals and Interlockers.....	30,998	25,195	5,803	23.03
Power Plants.....	1,285	1,527	<b>242</b>	<b>15.85</b>
Power Transmission Systems.....	592	713	<b>121</b>	<b>16.97</b>
Miscellaneous Structures.....	33	33		
Road Property—Depreciation.....	483,430	477,600	5,830	1.22
Retirements—Road.....	32,192	19,299	12,893	66.81
Roadway Machines.....	120,952	106,550	14,402	13.52
Dismantling Retired Road Property.....	15,130	14,364	766	5.33
Small Tools and Supplies.....	78,995	66,249	12,746	19.24
Removing Snow, Ice and Sand.....	409,068	240,521	168,547	70.08
Public Improvements—Maintenance.....	58,358	60,859	<b>2,501</b>	<b>4.11</b>
Injuries to Persons.....	63,847	44,050	19,797	44.94
Insurance.....	12,200	9,998	2,202	22.02
Stationery and Printing.....	5,519	5,495	24	.44
Other Expenses.....	4,113	18,565	<b>14,452</b>	<b>77.85</b>
Maintaining Jt. Trks., Yds. and Other Fac.—Dr.....	190,980	166,268	24,712	14.86
Maintaining Jt. Trks., Yds. and Other Fac.—Cr.....	20,746	20,409	337	1.65
Right-of-Way Expenses.....	15,662	10,269	5,393	52.52
Total.....	\$ 7,254,322	\$ 5,976,227	\$ 1,278,095	21.39
Ratio of M of W & S Expenses to Revenues.....	19.60	18.17	1.43	.....

### MAINTENANCE OF EQUIPMENT:

Superintendence.....	\$ 128,294	\$ 114,040	\$ 14,254	12.50
Shop Machinery.....	98,301	87,999	10,302	11.71
Power Plant Machinery.....	18,301	26,363	<b>8,062</b>	<b>30.58</b>
Shop and Power Plant Mach.—Depreciation.....	15,595	15,453	142	.92
Dismantling Retired Shop & P. P. Machinery.....	2	79	<b>77</b>	<b>97.47</b>
Steam Locomotives—Repairs.....	1,854,282	1,829,778	24,504	1.34
Other Locomotives—Repairs.....	188,470	19,763	168,707	.....
Freight Train Cars—Repairs.....	2,377,714	1,878,333	499,381	26.59
Passenger Train Cars—Repairs.....	483,732	448,104	35,628	7.95
Work Equipment—Repairs.....	106,988	72,276	34,712	48.03
Miscellaneous Equipment—Repairs.....	13,765	9,407	4,358	46.33
Dismantling Retired Equipment.....	13,548	3,816	9,732	.....
Retirements—Equipment.....	.....	<b>3,187</b>	3,187	100.00
Equipment—Depreciation.....	870,580	736,440	134,140	18.21
Injuries to Persons.....	19,557	24,791	<b>5,234</b>	<b>21.11</b>
Insurance.....	17,436	10,388	7,048	67.85
Stationery and Printing.....	4,259	3,912	347	8.87
Other Expenses.....	4,546	682	3,864	.....
Joint Maint. of Equip. Expenses—Dr.....	44,533	42,989	1,544	3.59
Joint Maint. of Equip. Expenses—Cr.....	4,814	2,872	1,942	67.62
Total.....	\$ 6,255,089	\$ 5,318,554	\$ 936,535	17.61
Ratio of M. of Equip. Expenses to Revenues.....	16.90	16.17	.73	.....



## OPERATING EXPENSES

Continued

	Year 1948	Year 1947	Increase or Amount	Decrease Per Cent
TRAFFIC EXPENSES:				
Superintendence.....	\$ 266,514	\$ 233,818	\$ 32,696	13.98
Outside Agencies.....	342,710	319,747	22,963	7.18
Advertising.....	68,844	55,298	13,546	24.50
Traffic Associations.....	19,035	19,242	207	1.08
Industrial and Immigration Bureaus.....	8,298	7,686	612	7.96
Insurance.....	99	96	3	3.13
Stationery and Printing.....	44,295	33,536	10,759	32.08
Total.....	\$ 749,795	\$ 669,423	\$ 80,372	12.01
Ratio of Traffic Expenses to Revenues.....	2.03	2.04	.01	.....

<b>TRANSPORTATION EXPENSES:</b>				
Superintendence.....	\$ 303,110	\$ 285,282	\$ 17,828	6.25
Dispatching Trains.....	166,574	154,761	11,813	7.63
Station Employees.....	2,261,409	2,047,645	213,764	10.44
Weighing Insp. and Dem. Bureaus.....	27,569	24,632	2,937	11.92
Station Supplies and Expenses.....	152,423	127,996	24,427	19.08
Yard Masters and Yard Clerks.....	281,124	262,202	18,922	7.22
Yard Conductors and Brakemen.....	686,654	616,407	70,247	11.40
Yard Switch and Signal Tenders.....	30,400	27,132	3,268	12.04
Yard Enginemen.....	364,604	325,792	38,812	11.91
Yard Motormen.....	110,502	79,644	30,858	38.74
Yard Switching Fuel.....	297,836	259,009	38,827	14.99
Water for Yard Locomotives.....	11,511	11,394	117	1.03
Lubricants for Yard Locomotives.....	10,470	7,954	2,516	31.63
Other Supplies for Yard Locomotives.....	4,752	4,245	507	11.94
Enginehouse Expenses—Yard.....	132,749	137,935	5,186	3.76
Yard Supplies and Expenses.....	12,455	8,429	4,026	47.76
Opr. Joint Yard and Terminals—Dr.....	654,163	623,945	30,218	4.84
Opr. Joint Yards and Terminals—Cr.....	65,853	39,614	26,239	66.24
Train Enginemen.....	1,352,454	1,494,247	141,793	9.49
Train Motormen.....	343,943	13,141	330,802	.....
Train Fuel.....	2,669,532	2,650,809	18,723	.71
Water for Train Locomotives.....	83,249	99,864	16,615	16.64
Lubricants for Train Locomotives.....	83,471	57,021	26,450	46.39
Other Supplies for Train Locomotives.....	37,590	30,287	7,303	24.11
Enginehouse Expenses—Train.....	488,382	427,156	61,226	14.33
Trainmen.....	2,320,670	2,130,468	190,202	8.93
Train Supplies and Expenses.....	967,560	889,613	77,947	8.76
Operating Sleeping Cars.....	55,611	47,247	8,364	17.70
Signal and Interlocker Operation.....	94,098	82,812	11,286	13.63
Crossing Protection.....	64,012	48,782	15,230	31.22
Telegraph and Telephone Operation.....	71,887	65,719	6,168	9.39
Stationery and Printing.....	50,948	50,686	262	.52
Other Expenses.....	173,103	161,276	11,827	7.33
Operating Jt. Trks. and Facilities—Dr.....	117,417	113,755	3,662	3.22
Operating Jt. Trks. and Facilities—Cr.....	26,361	24,124	2,237	9.27
Insurance.....	4,556	4,615	59	1.28
Clearing Wrecks.....	56,380	62,929	6,549	10.41
Damage to Property.....	9,165	20,984	11,819	56.32
Damage to Live Stock on R. of W.....	18,844	16,992	1,852	10.90
Loss and Damage—Freight.....	236,356	189,212	47,144	24.92
Loss and Damage—Baggage.....	139	194	333	.....
Injuries to Persons.....	230,357	184,477	45,880	24.87
Total.....	\$14,945,537	\$13,782,952	\$1,162,585	8.43
Ratio of Transportation Expenses to Revenues.....	40.38	41.91	1.53	.....



## OPERATING EXPENSES

Continued

	Year 1948	Year 1947	Increase or Amount	Decrease Per Cent
<b>MISCELLANEOUS OPERATIONS:</b>				
Dining and Buffet Service.....	\$ 185,477	\$ 204,603	\$ 19,126	9.35
Operating Jt. Misl. Facilities—Dr.....	24,157		24,157	.....
Total.....	\$ 209,634	\$ 204,603	\$ 5,031	2.46
Ratio of Misl. Operations to Revenues.....	.56	.62	.06	.....
<b>GENERAL EXPENSES:</b>				
Sal. & Exp. of General Officers.....	\$ 128,327	\$ 124,482	\$ 3,845	3.09
Sal. & Exp. of Clerks and Attendants.....	648,840	572,618	76,222	13.31
General Office Supplies and Expenses.....	58,036	55,710	2,326	4.18
Law Expenses.....	91,178	88,491	2,687	3.04
Insurance.....	336	380	44	11.58
Pensions and Gratuities.....	13,262	12,285	977	7.95
Stationery and Printing.....	36,655	24,971	11,684	46.79
Valuation Expenses.....		152	152	100.00
Other Expenses.....	73,561	52,812	20,749	39.29
General Joint Facilities—Dr.....	8,118	7,715	403	5.22
General Joint Facilities—Cr.....	3,635	2,788	847	30.38
Total.....	\$ 1,054,678	\$ 936,828	\$ 117,850	12.58
Ratio of General Expenses to Revenues.....	2.85	2.85	.....	.....
Railway Operating Expenses.....	\$30,469,055	\$26,888,587	\$3,580,468	13.32
Ratio of Operating Expenses to Revenues.....	82.32	81.76	.56	.....

### THE 500 LINE DOLLAR

	1948 (cents)	1947
<b>Income:</b>		
Grain.....	24.0	25.1
Other Products of Agriculture.....	3.8	4.5
Animals and Products.....	2.7	2.2
Products of Mines.....	13.2	13.6
Products of Forests.....	10.5	8.7
Manufactures and Miscellaneous.....	24.4	22.3
Less than Carload.....	4.3	4.5
Passenger-train Service.....	7.2	8.4
Incidental.....	1.9	1.9
Rents from Equipment and Joint Facilities.....	7.3	7.9
Other Income.....	.7	.9
Total.....	100.0	100.0
<b>Spent for:</b>		
Wages.....	47.0	48.7
Taxes for Employees Retirement and Unemployment Funds.....	2.5	3.8
All other taxes.....	6.5	6.1
Fuel, rail, ties and other track materials.....	11.0	11.3
Depreciation.....	3.4	3.4
Other Operating Expenses.....	14.5	11.2
Interest and Sinking Fund.....	2.5	2.8
Rents for Equipment and Joint Facilities.....	8.2	9.0
Miscellaneous.....	....	.4
Total.....	95.6	96.7
Remainder available for other corporate purposes.....	4.4	3.3



# COMPARATIVE STATEMENT OF REVENUES AND EXPENSES

## REVENUES

Year Ended December 31

	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939
Freight.....	\$33,318,449	\$29,161,330	\$24,543,962	\$24,588,804	\$26,075,774	\$22,035,576	\$20,177,264	\$17,663,263	\$15,208,573	\$13,254,476
Passenger.....	1,457,571	1,580,086	1,745,284	1,906,743	1,949,462	1,761,256	1,031,452	657,090	652,228	808,078
Mail.....	885,635	831,318	653,354	603,882	619,970	615,126	617,895	625,416	619,170	634,088
Express.....	320,785	351,835	373,373	428,528	382,061	327,016	222,973	137,930	124,181	117,252
Miscellaneous.....	522,564	500,826	543,220	552,400	496,973	452,363	367,527	358,572	286,598	281,926
Incidental.....	505,429	463,091	407,712	389,432	362,146	352,821	300,911	289,640	246,829	249,270
Total.....	37,010,433	32,888,486	28,266,905	28,469,789	29,886,386	26,444,158	22,718,022	19,731,911	17,137,579	15,345,090

## EXPENSES

Maintenance of Way and Structures.....	7,254,322	5,976,227	5,608,830	4,693,232	4,848,273	4,579,550	3,700,300	3,481,240	2,935,535	2,625,302
Maintenance of Equipment.....	6,255,089	5,318,554	4,874,999	5,304,848	4,819,516	4,379,242	3,999,802	3,470,755	2,682,768	2,667,320
Traffic Expenses.....	749,795	669,423	574,007	481,621	408,660	478,570	456,788	428,825	418,095	414,144
Transportation Expenses.....	14,945,537	13,782,952	12,795,336	10,815,950	10,580,518	9,360,110	8,179,482	7,432,759	6,709,801	6,449,749
Miscellaneous Operations.....	209,634	204,603	171,450	117,820	113,882	115,710	79,584	75,636	65,087	79,820
General Expenses.....	1,054,678	936,828	861,390	724,296	726,991	714,925	660,940	642,309	574,418	577,133
Transportation for Investment—Cr.....								31,493	26,268	13,857
Total.....	\$30,469,055	\$26,888,587	\$24,886,012	\$22,137,767	\$21,497,840	\$19,628,107	\$17,076,896	\$15,500,031	\$13,359,436	\$12,799,611

Percentage of Expenses to Earnings.....	82.3	81.8	88.0	77.8	71.9	74.2	75.2	78.5	77.9	83.4
Net Revenue from Ry. Operations.....	\$ 6,541,378	\$ 5,999,899	\$ 3,380,893	\$ 6,332,022	\$ 8,838,546	\$ 6,816,051	\$ 5,641,126	\$ 4,231,880	\$ 3,778,143	\$ 2,545,479
Railway Tax Accruals.....	3,635,531	3,566,226	2,066,068	3,603,529	2,840,791	1,815,912	1,569,512	1,464,717	1,273,346	1,230,813
Railway Operating Income.....	2,905,847	2,433,673	1,314,825	2,728,493	5,547,755	5,000,139	4,071,614	2,767,163	2,504,797	1,314,666
Hire of Equipment—Net.....	201,916	186,243	70,412	433,608	302,237	336,085	99,064	160,290	310,213	307,198
Joint Facility Rents—Net Dr.....	193,592	214,251	226,345	357,866	139,823	195,132	186,244	293,304	158,306	164,495
Net Railway Operating Income.....	2,510,339	2,033,179	1,018,068	2,804,235	5,710,169	5,141,092	3,984,434	2,313,569	2,036,278	842,973
Non-Operating Income—Net.....	241,842	154,616	231,337	128,527	139,529	105,426	13,246	130,608	131,677	149,998
Income Before Fixed and Contingent Charges.....	2,752,181	2,187,795	1,249,405	2,932,762	5,849,698	5,246,518	3,971,188	2,444,177	2,167,955	992,971
Fixed Charges.....	3,313	4,557	4,747	6,502	4,405,359	6,587,071	6,604,783	6,606,813	6,596,754	6,625,356
Contingent Charges.....	985,073	1,000,238	1,090,470	1,171,827	406,031					
Net Income or Deficit.....	\$1,770,421	\$ 1,183,000	\$ 154,188	\$ 1,754,433	\$ 1,038,308	\$ 1,340,553	\$ 2,633,595	\$ 4,162,636	\$ 4,428,799	\$ 5,632,385

Date of Reorganization September 1, 1944



## GRAIN MOVEMENT

Annual movement of grain in bushels, beginning with 1924, separated between that originated on line and that received from connections in the grain territory, and other movements consisting chiefly of transfers of grain between Minneapolis and the Head-of-the-Lakes.

(ooo omitted from bushels)

	Originated on Line		Total	Received from		Other Movements	Total
	Jan. 1 to July 31	Aug. 1 to Dec. 31		Connections	Total		
1924.....	12,299	46,441	58,740	2,173	60,913	5,736	66,649
1925.....	17,673	37,944	55,617	2,182	57,799	5,136	62,935
1926.....	14,935	18,272	33,207	1,930	35,137	5,939	41,076
1927.....	10,410	36,716	47,126	1,698	48,824	6,072	54,896
1928.....	16,145	38,275	54,420	1,774	56,194	8,950	65,144
1929.....	16,625	20,725	37,350	1,297	38,647	7,168	45,815
1930.....	11,087	26,625	37,712	1,407	39,119	4,689	43,808
1931.....	13,652	7,801	21,453	730	22,183	3,185	25,368
1932.....	3,705	13,207	16,912	747	17,659	2,720	20,379
1933.....	10,558	10,021	20,579	645	21,224	3,409	24,633
1934.....	6,394	4,954	11,348	1,996	13,344	5,534	18,878
1935.....	3,105	14,046	17,151	927	18,078	4,201	22,279
1936.....	6,379	3,517	9,896	1,112	11,008	3,871	14,879
1937.....	2,147	12,427	14,574	587	15,161	3,706	18,867
1938.....	4,859	15,058	19,917	916	20,833	4,719	25,552
1939.....	7,941	17,625	25,566	1,594	27,160	3,104	30,264
1940.....	10,886	18,766	29,652	7,831	37,483	2,447	39,930
1941.....	13,549	26,165	39,714	3,433	43,147	5,127	48,274
1942.....	16,941	29,854	46,795	1,642	48,437	4,073	52,510
1943.....	26,953	38,110	65,063	14,228	79,291	10,136	89,427
1944.....	34,453	34,399	68,852	34,578	103,430	6,743	110,173
1945.....	30,437	45,748	76,185	3,692	79,877	8,832	88,709
1946.....	26,769	32,417	59,186	1,477	60,663	6,883	67,546
1947.....	24,065	39,540	63,605	1,752	65,357	6,191	71,548
1948.....	19,282	34,689	53,971	1,597	55,568	5,245	60,813

## STATISTICS

Operating Factors		Year	Year	Increase or Decrease	
		1948	1947	Amount	Per Cent
<b>Freight Train Load:</b>					
Gross tons per train—Steam.....		1,540	1,716	176	10.26
Diesel.....		2,506	2,305	201	8.72
Average.....		1,853	1,724	129	7.48
Net tons per carload.....		30.7	30.9	.2	.65
<b>Freight train fuel consumption</b>					
<b>per 1000 gross ton miles:</b>					
Pounds of coal Steam.....		124	112	12	10.71
Gallons of fuel oil Diesel.....		1.5	1.7	.2	11.76
<b>Freight train fuel cost</b>					
<b>per 1000 gross ton miles:</b>					
Steam.....		\$ .4672	\$ .3544	\$ .1128	31.83
Diesel.....		\$ .1690	\$ .1670	\$ .0020	1.20
Average.....		\$ .3364	\$ .3520	\$ .0156	4.43
<b>Freight train speed:</b>					
Steam.....		15.4	16.8	1.4	8.33
Diesel.....		21.3	21.6	.3	1.39
Average.....		16.9	16.8	.1	.60
<b>Gross ton miles per freight</b>					
<b>train hour:</b>					
Steam.....		23,713	28,286	4,573	16.17
Diesel.....		53,458	49,766	3,692	7.42
Average.....		31,371	28,507	2,864	10.05

# STATISTICS

## Continued

	Year 1948	Year 1947	Increase or Amount or Number	Decrease Per Cent
Average miles of road operated.....	3,224.48	3,223.83	.65	.02
<b>TRAIN MILES (Revenue Service)</b>				
Freight service.....	3,181,647	3,487,732	306,085	8.78
Passenger service.....	1,877,959	1,886,187	8,228	.44
Total train miles.....	5,059,606	5,373,919	314,313	5.85
<b>LOCOMOTIVE MILES (Revenue Service)</b>				
Freight service.....	3,218,998	3,535,117	316,119	8.94
Passenger service.....	1,907,841	1,923,655	15,814	.82
Switching service—road and yard.....	1,150,152	1,170,000	19,848	1.70
Total locomotive miles.....	6,276,991	6,628,772	351,781	5.31
<b>CAR MILES (Revenue Service)</b>				
<b>Freight:</b>				
Loaded.....	85,100,603	84,746,486	354,117	.42
Empty.....	47,172,202	46,491,690	680,512	1.46
Caboose.....	2,507,384	2,787,323	279,939	10.04
Total.....	134,780,189	134,025,499	754,690	.56
<b>Passenger:</b>				
Coaches.....	2,487,438	2,788,273	300,835	10.79
Sleeping and parlor.....	2,890,852	3,047,812	156,960	5.15
Other.....	6,258,285	6,349,806	91,521	1.44
Total.....	11,636,575	12,185,891	549,316	4.51
Total car miles.....	146,416,764	146,211,390	205,374	.14
<b>GROSS TON MILES</b>				
Freight service—cars and contents.....	5,896,384,125	6,011,859,730	115,475,605	1.92
Passenger service—cars only.....	676,847,508	738,933,315	62,085,807	8.40
Total ton miles.....	6,573,231,633	6,750,793,045	177,561,412	2.63
<b>FREIGHT TRAFFIC</b>				
Freight revenue.....	\$33,318,449	\$29,161,330	\$4,157,119	14.26
Number of carloads.....	294,795	296,723	1,928	.65
Tons—revenue freight.....	11,051,403	11,137,359	85,956	.77
Ton miles—revenue freight.....	2,612,340,168	2,621,768,500	9,428,332	.36
<b>Averages Per Mile of Road</b>				
Freight revenue.....	\$ 10,333	\$ 9,046	\$ 1,287	14.23
Train miles.....	987	1,082	95	8.78
Total freight train car miles.....	41,799	41,573	226	.54
Ton miles—revenue freight.....	810,159	813,247	3,088	.38
<b>Averages Per Train Mile</b>				
Freight revenue.....	\$ 10.47	\$ 8.36	\$ 2.11	25.24
Average number of freight cars—loaded.....	26.7	24.3	2.4	9.88
Average number of freight cars—empty.....	14.8	13.3	1.5	11.28
Average number of freight cars—total.....	42.4	38.4	4.0	10.42
Average number of tons of revenue freight.....	821.1	751.7	69.4	9.23
Gross ton miles.....	1853.2	1,723.7	129.5	7.51
<b>Averages Per Loaded Car Mile</b>				
Freight revenue (cents).....	39.2	34.4	4.8	13.95
Average number of tons of revenue freight.....	30.7	30.9	.2	.65
<b>Miscellaneous Averages</b>				
Revenue per ton of freight.....	\$ 3.01	\$ 2.62	\$ .39	14.89
Revenue per ton mile of freight (cents).....	1.28	1.11	.17	15.32
Miles hauled—revenue freight.....	236.4	235.4	1.0	.42



# STATISTICS

Continued

	Year 1948	Year 1947	Increase or Amount or Number	Decrease Per Cent
<b>Classification of Revenue Tonnage Carried</b>				
Grain.....	1,582,630	1,808,017	225,387	12.47
Products of agriculture—all other.....	407,588	466,912	59,324	12.71
Animals and products.....	145,730	127,039	18,691	14.71
Products of mines.....	4,311,710	4,143,699	168,011	4.05
Products of forests.....	2,009,811	1,971,126	38,685	1.96
Manufactures and miscellaneous.....	2,471,335	2,479,643	8,308	.34
Total carload freight.....	10,928,804	10,996,436	67,632	.62
Less carload freight.....	122,599	140,923	18,324	13.00
Total carload and LCL freight.....	11,051,403	11,137,359	85,956	.77
<b>PASSENGER TRAFFIC</b>				
Passenger revenue.....	\$ 1,457,571	\$ 1,580,086	\$ 122,515	7.75
Passenger service train revenue.....	\$ 2,913,517	\$ 3,028,154	\$ 114,637	3.79
Revenue passengers carried.....	369,774	422,105	52,331	12.40
Revenue passenger miles.....	77,653,721	85,779,800	8,126,079	9.47
<b>Averages Per Mile of Road</b>				
Passenger revenue.....	\$ 452	\$ 490	\$ 38	7.76
Passenger service train revenue.....	\$ 904	\$ 939	\$ 35	3.73
Train miles.....	582	585	3	.51
Total passenger train car miles.....	3,609	3,780	171	4.52
Revenue passenger miles.....	24,083	26,608	2,525	9.49
<b>Averages Per Train Mile</b>				
Passenger revenue.....	\$ .78	\$ .84	\$ .06	7.14
Passenger service train revenue.....	\$ 1.55	\$ 1.61	\$ .06	3.73
Average number of passenger cars.....	6.2	6.5	.3	4.62
Average number of passengers.....	41.4	45.5	4.1	9.01
<b>Averages Per Car Mile—Passenger</b>				
Passenger revenue (cents).....	27.1	27.1		
Average number of passengers.....	14.4	14.7	.3	2.04
<b>Miscellaneous Averages</b>				
Revenue per passenger.....	\$ 3.94	\$ 3.74	\$ .20	5.35
Revenue per passenger mile (cents).....	1.88	1.84	.04	2.17
Miles carried—revenue passengers.....	210.0	203.2	6.8	3.35
<b>TOTAL TRAFFIC</b>				
Operating revenue.....	\$37,010,433	\$32,888,486	\$ 4,121,947	12.53
Operating expenses.....	\$30,469,055	\$26,888,587	\$ 3,580,468	13.32
Net operating revenue.....	\$ 6,541,378	\$ 5,999,899	\$ 541,479	9.02
<b>Averages Per Mile of Road</b>				
Train miles.....	1,569	1,667	98	5.88
Car miles.....	45,408	45,353	55	.12
Operating revenue.....	\$ 11,478	\$ 10,202	\$ 1,276	12.51
Operating expenses.....	\$ 9,449	\$ 8,341	\$ 1,108	13.28
Net operating revenue.....	\$ 2,029	\$ 1,861	\$ 168	9.03
<b>Averages Per Train Mile</b>				
Operating revenue.....	\$ 7.31	\$ 6.12	\$ 1.19	19.44
Operating expenses.....	\$ 6.02	\$ 5.00	\$ 1.02	20.40
Net operating revenue.....	\$ 1.29	\$ 1.12	\$ .17	15.18

## COMPARISON OF PERCENTS OF REVENUE TONNAGE CARRIED WITH REVENUES EARNED

	TONS—%		REVENUES—%	
	1948	1947	1948	1947
Grain.....	14.32	16.23	28.92	30.97
Products of agriculture—all other.....	3.69	4.19	4.63	5.58
Animals and products.....	1.32	1.14	3.32	2.74
Products of mines.....	39.02	37.21	15.87	16.79
Products of forests.....	18.18	17.70	12.66	10.72
Manufactures and miscellaneous.....	22.36	22.26	29.41	27.63
Total carload freight.....	98.89	98.73	94.81	94.43
Less carload freight.....	1.11	1.27	5.19	5.57
Total carload and LCL freight.....	100.00	100.00	100.00	100.00

## EQUIPMENT OWNED

	Jan. 1st 1948	Addi- tions	Deduc- tions	Dec. 31st 1948
<b>STEAM LOCOMOTIVES</b>				
Steam Locomotives—Road.....	148	0	16	132
Steam Locomotives—Switch.....	14	0	0	14
Total Steam Locomotives.....	162	0	16	146
<b>OTHER LOCOMOTIVES</b>				
Diesel Locomotives—Road Freight.....	1	9	0	10
Diesel Locomotives—Road-Switch.....	6	2	0	8
Diesel Locomotives—Switch.....	5	0	0	5
Total Other Locomotives.....	12	11	0	23
<b>FREIGHT-TRAIN CARS</b>				
Automobile cars.....	612	0	18	594
Ballast cars.....	212	0	17	195
Box cars.....	5,165	0	395	4,770
Caboose cars.....	128	0	1	127
Flat cars.....	367	0	0	367
Gondola cars.....	498	0	1	497
Hopper cars—closed top.....	7	0	0	7
Hopper cars—open top.....	200	0	0	200
Ore cars.....	1,111	0	4	1,107
Stock cars.....	395	0	0	395
Tank cars.....	*4	0	0	*4
Total Freight-Train Cars.....	8,699	0	436	8,263
<b>PASSENGER-TRAIN CARS</b>				
Baggage cars.....	29	0	0	29
Baggage and smoking cars.....	1	0	0	1
Coach-Caboose.....	1	0	0	1
Dining cars.....	4	0	0	4
Mail and Express cars.....	27	1	0	28
Mail, Express and Coach.....	6	0	0	6
Passenger coaches.....	38	0	0	38
Coach-Cafe-Lounge.....	2	0	0	2
Passenger and baggage cars.....	6	0	1	5
Sleeping cars.....	5	0	0	5
Tourist cars.....	6	0	0	6
Sleeping-Restaurant and Lounge.....	2	0	0	2
Drovers cars.....	5	0	0	5
Total Passenger-Train Cars.....	132	1	1	132
<b>WORK EQUIPMENT.....</b>				
	217	31	11	237
<b>MISCELLANEOUS EQUIPMENT.....</b>				
	**23	6	1	28

\*Tanks owned by Gedney Pickle Co. mounted on four flat cars owned by this company.

\*\*Includes 2 automobiles owned jointly with N. P. Ry. Co.



## ROAD AND EQUIPMENT PROPERTY

Year Ended December 31, 1948

Account	Expenditures for Additions and Betterments	Net Increase in Investment Account (After deducting cost of Property retired)
Engineering .....	\$ 10,380	\$ 6,571
Land for Transportation Purposes .....	1,290	4,114
Other Right-of-Way Expenditures .....	6,581	5,270
Grading .....	24,871	21,608
Bridges, Trestles and Culverts .....	104,774	2,030
Ties .....	29,491	20,614
Rails .....	70,427	61,964
Other Track Material .....	165,571	153,874
Ballast .....	7,448	6,826
Track Laying and Surfacing .....	70,204	64,119
Fences, Snowsheds and Signs .....	7,404	6,946
Station and Office Buildings .....	104,262	74,346
Roadway Buildings .....	7,208	6,210
Water Stations .....	9,608	6,177
Fuel Stations .....	38,706	37,923
Shops and Enginehouses .....	123,872	123,817
Telegraph and Telephone Lines .....	25,841	25,841
Signals and Interlockers .....	37,612	37,413
Power Plants .....	137	137
Power Transmission Systems .....	2,218	2,218
Miscellaneous Structures .....	48	48
Roadway Machines .....	47,947	40,278
Roadway Small Tools .....	546	546
Public Improvements—Construction .....	59,247	57,618
Shop Machinery .....	29,596	28,154
Power Plant Machinery .....	538	538
Total expenditures for road .....	983,659	772,450
Steam Locomotives .....	4,582	314,684
Other Locomotives .....	3,049,642	3,049,642
Freight-train Cars .....	155,579	324,179
Passenger-train Cars .....	44,659	22,794
Work Equipment .....	47,221	34,458
Miscellaneous Equipment .....	11,127	10,209
Total expenditures for equipment .....	3,312,810	2,478,240
Organization Expenses .....	3,255	3,255
General Officers and Clerks .....		626
Law .....		382
Stationery and Printing .....		46
Taxes .....		214
Interest during Construction .....		7,114
Other Expenditures—General .....		138
Total General Expenditures .....	3,255	5,265
Grand Total .....	\$4,299,724	\$3,245,425

### RAIL RELAID

90 pound rail installed in Main Tracks .....	41.46 miles
Second hand rail installed in Main Tracks .....	10.57 miles
Second hand rail installed in Other Tracks .....	6.01 miles

### CROSS TIES REPLACED

Untreated cross ties .....	12,948
Treated cross ties .....	409,270

# **MILES OF ROAD OPERATED, DECEMBER 31, 1948**

## **SOLELY OWNED**

		Miles
<b>Minnesota Division</b>		
Portal, N. D.....	to Minneapolis, Minn., W. Switch, Humboldt Yard.....	543.77
Whitetail, Mont.....	to Flaxton, N. D.....	136.65
Sanish, N. D.....	to Prairie Junction, N. D.....	32.80
Plaza, N. D.....	to Max, N. D.....	35.65
Max, N. D.....	to Drake, N. D.....	48.13
Max, N. D.....	to Hankinson, N. D.....	303.86
Pollock, S. D.....	to Wishek, N. D.....	70.73
Grenville, S. D.....	to Fairmount, N. D.....	83.62
Total Minnesota Division.....		1,255.21

<b>Winnipeg Division</b>		
Noyes, Minn.....	to Glenwood, Minn.....	265.05
Kenmare, N. D.....	to Dakota Junction, Minn.....	296.34
Armourdale, N. D.....	to Egeland, N. D.....	21.86
Drake, N. D.....	to Fordville, N. D.....	130.41
Total Winnipeg Division.....		713.66

<b>Minneapolis-Duluth Division</b>		
Minneapolis, Minn., 5th Avenue North.....	to W. Switch, Humboldt Yard.....	4.74
Minneapolis, Minn., Camden Place.....	to Weyerhauser, Wis.....	112.86
Minneapolis, Minn., Columbia Heights.....	to Hilo Junction.....	1.09
St. Paul, Minn.....	to Cardigan Junction, Minn.....	8.13
Dresser Jct., Wis.....	to Superior, Wis., 28th Street.....	103.31
Superior, Wis., 12th Street Junction to	Interstate Bridge.....	1.89
Duluth, Minn., Interstate Bridge..	to 10th Ave., Freight House.....	1.39
Summit, Wis.....	to St. Croix Falls, Wis.....	2.04
Ridgeland, Wis.....	to Barron, Wis.....	18.52
Rice Lake, Wis.....	to Cameron, Wis.....	6.84
Superior, Wis.....	to Conn. with N. P. Ry.....	.68
Plummer, Minn.....	to Moose Lake, Minn.....	192.29
Lawler, Minn.....	to East Lake, Minn.....	6.51
Ironton, Minn.....	to Crosby, Minn.....	1.01
Boylston Jct., Wis.....	to Broton, Minn.....	175.89
McGregor, Minn.....	to Conn. with N. P. Ry.....	.06
Total Minneapolis-Duluth Division.....		637.25

<b>Gladstone Division</b>		
Weyerhauser, Wis.....	to Sault Ste. Marie, Mich.....	378.71
Wisconsin Jct., Wis.....	to Winnebago Junction, Wis.....	118.76
Appleton, Wis., North Wye.....	to End of track.....	1.07
Rapid River, Mich.....	to Eben Junction, Mich.....	30.54
Total Gladstone Division.....		529.08
Total Solely Owned.....		3,135.20

## **JOINTLY OWNED**

Sault Ste. Marie, Mich.—Joint with D. S. S. & A. Ry. Co.....	1.72
Minneapolis, Minn.—Joint with N. P. Ry.....	.88
Bemidji, Minn.—Joint with N. P. Ry.....	.19
Deerwood, Minn., to Cuyuna Range Mines—Joint with N. P. Ry.....	20.96
Total Jointly Owned.....	23.75
Total Mileage Owned and Operated.....	3,158.95



# **MILES OF ROAD OPERATED, DECEMBER 31, 1948**

Continued

Total Mileage Owned and Operated..... 3,158.95

## **TRACKAGE RIGHTS**

### **Over Wisconsin Central Railway**

Superior, Wis., 28th Street.....to Tower Avenue.....	2.44	
Duluth, Minn., Berwind Jct.....to 6th Avenue.....	4.71	
Winnebago Jct., Wis.....to Menasha, Wis.....	4.25	
Ladysmith, Wis.....	1.75	
Total Over W. C. Ry.....		13.15

### **Joint With Wisconsin Central Railway**

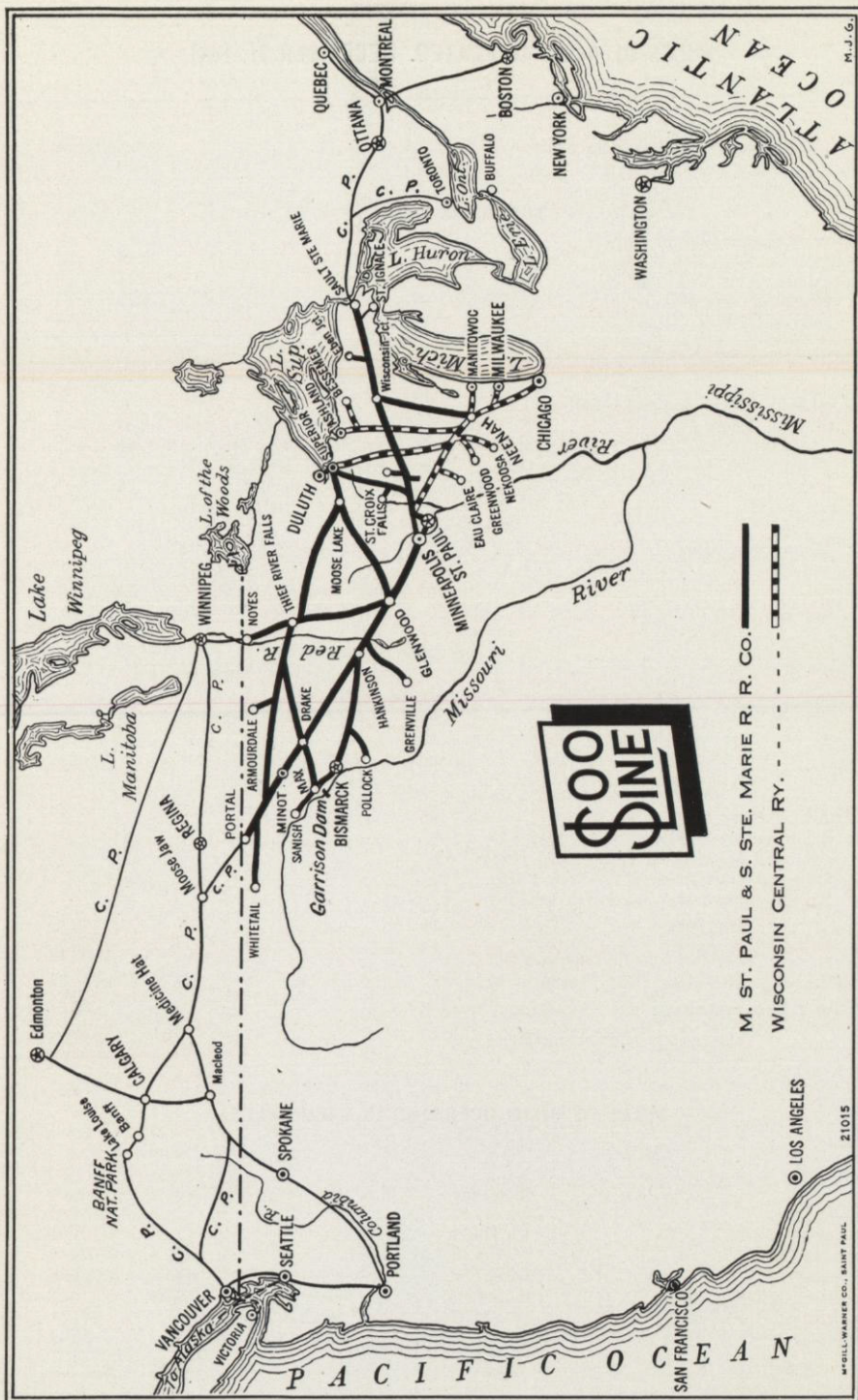
St. Paul, Minn.....	N. P. Ry., Soo Line Jct. to 3rd St.....	2.42	
	St. P. U. D. Co., 3rd St. to Sibley St.....	.85	
	C. St. P. M. & O. Ry. and C. M. St. P. & P. R. R., Sibley St. to Chestnut St.....	.79	
	C. M. St. P. & P. R. R., Chestnut St. to Minneapolis, Minn.....	10.54	
Minneapolis, Minn.....	M. & St. L. Ry., 20th Ave. South to 4th Ave. North.....	.81	
	N. P. Ry., 4th Ave. N. to 14th Ave. N....	.66	
Superior, Wis.....	D. S. Br. Co., Superior, Wis., to Interstate Bridge.....	.54	
	L. S. T. & T. Ry., Tower Ave.....	.43	
	N. P. Ry., Grassy Point Line, Superior, Wis., to Duluth, Minn.....	1.96	
Duluth, Minn.....	N. P. & C. St. P. M. & O., 8th to 15th Ave. West.....	.37	
	Total Joint with W. C. Ry.....		19.37

### **Other**

Sault Ste. Marie, Mich.—Union Depot Co.....	.52	
Sault Ste. Marie, Mich.—Ste. Marie Bridge Co.....	.52	
Deerwood—McGregor, Minn.—N. P. Ry.....	30.95	
Superior—Ore Dock Line & Hill Ave. Yard—N. P. Ry.....	.47	
Total Other.....		32.46
Total Soo Line Mileage Operated.....		3,223.93
Mileage operated as Agent for Trustee of Wisconsin Central Ry. Co. ....		1,051.37
Less mileage common to both Soo Line and W. C. Ry. Co.....		78.07
Total System Mileage Operated.....		<u>4,197.23</u>

## **MILES OF ROAD OPERATED IN EACH STATE**

	Soo Line	W. C. Ry. Co.	Less Common Soo Line- W. C. Ry. Co.	System
Montana.....	56.89			56.89
North Dakota.....	1,310.01			1,310.01
South Dakota.....	108.49			108.49
Minnesota.....	1,017.83	86.70	61.17	1,043.36
Wisconsin.....	506.67	873.17	16.90	1,362.94
Michigan.....	224.04	20.07		244.11
Illinois.....		71.43		71.43
Total.....	<u>3,223.93</u>	<u>1,051.37</u>	<u>78.07</u>	<u>4,197.23</u>



M. ST. PAUL & S. STE. MARIE R. R. CO.  
WISCONSIN CENTRAL RY.

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WILL-WARNER CO., SAINT PAUL 21015





